Physician Executive Compensation Report

A 1990 SURVEY OF SALARY, BENEFITS AND DUTIES

David R. Kirschman and Jennifer R. Grebenschikoff

Physician Executive Management Center

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Table of Contents

Page

Introduction 1

Acknowledgments 3

About The Authors 4

How To Use This Report 5

Chapter I - Aggregate Data (All Organizations) 7

Chapter II - Physician Managers In Hospitals 21

Chapter III - Physician Managers In Group Practice 43

Chapter IV - Physician Managers In Managed Care 65

Chapter V - Physician Managers In Industry 87

Chapter VI - Physician Managers In Academics 95

INTRODUCTION

Over a period of five years, the compensation of physician executives has been surveyed with the purpose of learning about the profession. The first priority has been the collection of valid financial data about physicians in managerial or administrative positions. Additionally, we hoped to learn about the demographics of the physicians who occupy these management positions, although such studies were somewhat restricted by limitations on the size of the data collection instrument and our interest in obtaining a reasonable response.

This third survey concentrated on the membership of the American College of Physician Executives, which now represents over 5,500 physicians. Members were contacted individually and asked to complete and return a short survey form. Again this year the response from these physicians exceeded a 40% return within the categories included in these reports. Why the response rate proves to be so high relative to similar studies is not known for sure, but perhaps is the result of the interest of the participants in promoting knowledge of the profession. It may also represent the high regard its members hold for the College.

Indeed, any profession in its developmental phase requires statistical data to describe its participants by scope of duties, compensation and overall value to the industry. This information is important to the participants as well as to the health care industry leadership when considering formalization or creation of physician executive positions. The goal of all involved should be the selection of the best available physicians to serve in executive roles, and once chosen, continue to provide incentives for them to remain in these positions as valued members of an executive team.

This survey was conducted during the last quarter of 1990 and represents the compensation levels for that time as a "snapshot." We expect that adjustments for individual salaries for either inflation or merit are equally distributed throughout the year. Therefore, we do not believe these amounts will be increased by inflationary adjustments across the board. Rather, we feel this data is valid for 1991 with adjustments considered as time passes from January 1991.

This report concentrates on the physician manager in major health care organizational settings (hospitals, prepaid health care plans, and medical group practices), with additional categories that include limited information for private industry and academic situations. Excluded were government entities and physicians in military service, since their compensation is less a reflection of market conditions and more a mandate of state or federal legislators.

Physician managers have been grouped by those who are overall managers of organizations or chief executive officers (top managers), those who serve as senior

physician managers or medical directors (senior medical managers), and a third category of all other physician managers in organizations (other managers). Currently, the senior medical manager or the medical director position is most commonly held by College members. Understandably, more survey responses were received from medical directors and more analysis can be performed with these data. We have therefore led with the data on senior medical managers in each organizational category, followed by top managers and then other managers, to the degree that survey data permit reasonable comparisons.

While some information is included for all physician managers, this report concentrates its reporting and analyses on those physicians who are full time managers. We have defined "full-time" as those respondents who reported management responsibilities that occupy 75 percent or more of their professional time. All other respondents were categorized as "part-time" and are reported in separate reports within each section of the report. While the norm for physician managers is to do at least some clinical work, the compensation figures relate specifically to compensation received for management duties only. While some slippage may have occurred in clinical versus management compensation, we feel the sample size is large enough in most cases that the overall figures reported are an accurate representation of physician manager compensation.

New this year is the addition of the frequency of management duties reported by organization and position types. This information will help us better understand the profession and the role physician executives play in the management of health care organizations.

Acknowledgments

The members of the American College of Physician Executives who were kind enough to complete and return this survey this year and in the past are the principal contributors and have made the results of this study valuable. Their commitment to the promotion of the profession is commendable.

The assistance of all of the above is acknowledged with appreciation.

David R. Kirschman
Jennifer R. Grebenschikoff
January 2, 1991

About The Authors

David Kirschman and Jennifer Grebenschikoff are Principals of the Physician Executive Management Center, Tampa, Florida. The Management Center specializes in physician executive search and has been working with the profession since 1983.

The authors have provided assistance to a wide range of organizations in the establishment of physician manager positions. Also, they have directed searches for physicians to serve as managers in hospitals, HMOs, group practices, and private industry.

It is from this background that the survey on which this report is based was designed, prepared and summarized. The aim is to concentrate on specific compensation information, one of the key decisions that influences the direction of an organization in its search for a physician manager.

How To Use This Report And Definitions

Each of the five organizational types--hospital, managed care, group practice industry and academic are segregated into chapters in this report. Also, an aggregate or all data chapter has been included. Comparisons have been made with a previous survey conducted in 1987 by the Physician Executive Management Center.

In each profile of a physician manager, by organizational type and level of management, compensation amounts are provided at the 25, 50, and 75 percent levels, as well as by average. For example, the 50 percent figure is the median or the midpoint of the distribution; half of the reported figures are higher and half are lower than that number. The fifty percent figure differs from the average, which is the sum of all figures in the distribution divided by the number of figures. The closer the median and average, the more accurately the data describe the distribution and the more likely the data are correct. The 25th percentile can be described as the mid point of the lower one-half of the figures in the distribution. Or, 25 percent of the figures are lower and 75 percent are higher than the figure at the 25 percent level.

Therefore, when the reader looks at a profile for an organization and manager that shows an annual salary of $100,000 at the 50th percentile, he knows that half of the other physician managers in the sample group reported a higher annual salary and one-half a lower one. In the same example, the 75th percentile tells us that three quarters of the sample reported a salary lower and one-quarter reported a salary higher. As with all statistical analyses, these figures provide a range to consider. All figures should be considered guidelines, not absolutes.

Distributions are included for:

- Base Salary - This is the amount reported as the annual base salary, not including bonuses, incentives, etc. It is the salary received for the management-related duties only.

- Bonus or incentives - This is the additional direct compensation received for management-related duties. It should be noted that not all respondents reported having bonuses or incentives. Therefore, these figures are averages and percentiles for those who did receive such additional compensation.

- Total Compensation - Salaries and bonuses were totaled for each individual respondent and totaled for all respondents in each group of physician executives. It should be noted that this figure is computed differently from the 1987 Report in tnat it does not include fringe benefits in the total figures.

- Percentage Change - Changes in base salary that occurred over a period of three years. In some cases, the data provided is new this year and therefore comparisons are not possible.

Regional comparisons are provided and are defined as follows:

- Pacific Region: Alaska, California, Hawaii, Nevada, Oregon and Washington
- Southwest Region: Arkansas, Arizona, Louisiana, New Mexico, Oklahoma and Texas
- Northwest Region: Colorado, Idaho, Kansas, Montana, Nebraska, North Dakota, South Dakota, Utah and Wyoming
- Midwest Region: Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri, Ohio, West Virginia and Wisconsin
- Northeast Region: Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont and Virginia
- Southeast Region: Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina and Tennessee

Chapter I

Aggregate Data

All Organizations

This chapter is a composite of the data reported in subsequent chapters and looks at all physician managers by position, regardless of organizational type. This information is helpful when looking at the profession as a whole and the characteristics of leadership at each level of professional growth.

Reports Included in this Chapter

1. Full and Part-time Managers: These combined reports include all full-time and part-time respondents. Reports are provided for senior medical managers, top managers and other managers.

2. Full-time Managers: Reported separately are all full-time respondents. Reports are provided for senior medical managers, top managers and other managers.

1990 Physician Executive Compensation Survey

Organization Type: All Organizations
Physician Executive: Senior Medical Managers
Time Commitment: Full and Part Time
Number in Sample: 674

Compensation

	25%	Average	Median	75%
Base Salary	$95,000	$116,804	$120,000	$141,000
Percentage Change from 1987		+23.5%	+22.4%	
Bonus/Incentives	10,000	23,650	15,000	25,000
Total Compensation	98,000	126,501	126,000	152,000
Fringe Benefits (perceived value)	10,000	19,028	18,000	25,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	23%	**Country Club Membership** (full or partial)	8.5%
Credit Card (for entertainment)	22%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	60%
Written Contract	53%	**Defined Parachute**	20%
Contract Term	2 Years	**Parachute Term**	7 Months

Respondent Profile

Average Age	52 Years	**Hours In Management** (per week)	42 Hours
Sex (Male)	93%	**Years In Current Position**	4 Years
Board Certification (ABMS Clinical Boards)	99%	**Management Degree** (have or working on)	29%

Organization Type: All Organizations
Physician Executive: Senior Medical Managers
Time Commitment: Full and Part Time
Number in Sample: 674

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	90	1	1	
Quality Assurance (QA/UR/RM)	87	2	2	2
Credentials (Medical Staff)	80			
Supervise Physicians (Physician Executives or Physicians)	72	3		3
Strategic Planning (Budget/Programs/Equipment)	76	4	3	3
Education (CME/Community/Graduate)	55			
External Relations (Professional/Community)	73	5	4	
Recruitment	68			3
Compliance (With Licensing & Regulatory Agencies)	75			1

1990 Physician Executive Compensation Survey

Organization Type: All Organizations
Physician Executive: Top Managers
Time Commitment: Full and Part Time
Number in Sample: 79

Compensation

	25%	Average	Median	75%
Base Salary	$50,000	$140,426	$144,000	$190,000
Percentage Change from 1987		+32%	+29%	
Bonus/Incentives	20,000	45,907	25,000	50,000
Total Compensation	60,000	157,859	151,277	215,000
Fringe Benefits (perceived value)	12,500	23,255	20,000	30,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	40%	**Country Club Membership** (full or partial)	32%
Credit Card (for entertainment)	36%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	40%
Written Contract	50%	**Defined Parachute**	20%
Contract Term	2 Years	**Parachute Term**	10 Months

Respondent Profile

Average Age	51 Years	**Hours In Management** (per week)	37 Hours
Sex (Male)	98%	**Years In Current Position**	6 Years
Board Certification (ABMS Clinical Boards)	98%	**Management Degree** (have or working on)	42%

Organization Type: All Organizations
Physician Executive: Top Managers
Time Commitment: Full and Part Time
Number in Sample: 79

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	75	2	3	
Quality Assurance (QA/UR/RM)	49			4
Credentials (Medical Staff)	41			
Supervise Physicians (Physician Executives or Physicians)	64	4		3
Strategic Planning (Budget/Programs/Equipment)	93	1	1	
Education (CME/Community/Graduate)	32			
External Relations (Professional/Community)	92	3	2	
Recruitment	62			2
Compliance (With Licensing & Regulatory Agencies)	64			1

1990 Physician Executive Compensation Survey

Organization Type: All Organizations
Physician Executive: Other Managers
Time Commitment: Full and Part Time
Number in Sample: 334

Compensation

	25%	Average	Median	75%
Base Salary	$60,000	$102,984	$95,000	$130,000
Percentage Change from 1987		+19%	+10.5%	
Bonus/Incentives	7,000	19,559	14,000	20,000
Total Compensation	60,000	109,180	100,000	138,520
Fringe Benefits (perceived value)	10,000	19,073	20,000	25,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	11%	**Country Club Membership** (full or partial)	1.8%
Credit Card (for entertainment)	7%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	83%
Written Contract	57%	**Defined Parachute**	13%
Contract Term	2 Years	**Parachute Term**	6 Months

Respondent Profile

Average Age	46 Years	**Hours In Management** (per week)	32 Hours
Sex (Male)	92%	**Years In Current Position**	4 Years
Board Certification (ABMS Clinical Boards)	98%	**Management Degree** (have or working on)	32%

Organization Type: All Organizations
Physician Executive: Other Managers
Time Commitment: Full and Part Time
Number in Sample: 334

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	80	3	4	
Quality Assurance (QA/UR/RM)	81	1	3	2
Credentials (Medical Staff)	46			
Supervise Physicians (Physician Executives or Physicians)	70	2		
Strategic Planning (Budget/Programs/Equipment)	71	4	1	4
Education (CME/Community/Graduate)	63	5	2	
External Relations (Professional/Community)	63		5	
Recruitment	59			3
Compliance (With Licensing & Regulatory Agencies)	59			1

1990 Physician Executive Compensation Survey

Organization Type: All Organizations
Physician Executive: Senior Medical Managers
Time Commitment: Full Time
Number in Sample: 529

Compensation

	25%	Average	Median	75%
Base Salary	$110,000	$129,298	$125,000	$150,000
Percentage Change from 1987		+19%	+19%	
Bonus/Incentives	10,000	24,904	17,500	25,000
Total Compensation	116,150	140,643	135,000	160,000
Fringe Benefits (perceived value)	10,000	19,807	20,000	25,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	27%	**Country Club Membership** (full or partial)	10%
Credit Card (for entertainment)	25%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	54%
Written Contract	51%	**Defined Parachute**	21%
Contract Term	2 Years	**Parachute Term**	8 Months

Respondent Profile

Average Age	53 Years	**Hours In Management** (per week)	47 Hours
Sex (Male)	93%	**Years In Current Position**	4 Years
Board Certification (ABMS Clinical Boards)	99%	**Management Degree** (have or working on)	29%

Organization Type: All Organizations
Physician Executive: Senior Medical Managers
Time Commitment: Full Time
Number in Sample: 529

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	90	1	1	
Quality Assurance (QA/UR/RM)	88	2	2	4
Credentials (Medical Staff)	84			
Supervise Physicians (Physician Executives or Physicians)	72	3		
Strategic Planning (Budget/Programs/Equipment)	78	4	3	3
Education (CME/Community/Graduate)	57			
External Relations (Professional/Community)	75	5	4	
Recruitment	68			2
Compliance (With Licensing & Regulatory Agencies)	77			1

1990 Physician Executive Compensation Survey

Organization Type: All Organizations
Physician Executive: Top Managers
Time Commitment: Full Time
Number in Sample: 49

Compensation

	25%	Average	Median	75%
Base Salary	$149,900	$189,983	$175,000	$225,000
Percentage Change from 1987		+34%	+30%	
Bonus/Incentives	20,000	44,600	30,000	50,000
Total Compensation	151,277	212,738	200,000	280,000
Fringe Benefits (perceived value)	15,000	24,793	20,000	30,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	55%	**Country Club Membership** (full or partial)	43%
Credit Card (for entertainment)	46%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	24%
Written Contract	55%	**Defined Parachute**	26%
Contract Term	3 Years	**Parachute Term**	9 Months

Respondent Profile

Average Age	52 Years	**Hours In Management** (per week)	49 Hours
Sex (Male)	97%	**Years In Current Position**	7 Years
Board Certification (ABMS Clinical Boards)	97%	**Management Degree** (have or working on)	41%

Organization Type: All Organizations
Physician Executive: Top Managers
Time Commitment: Full Time
Number in Sample: 49

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	77	4		
Quality Assurance (QA/UR/RM)	53			
Credentials (Medical Staff)	46			
Supervise Physicians (Physician Executives or Physicians)	63	3		3
Strategic Planning (Budget/Programs/Equipment)	93	1	1	
Education (CME/Community/Graduate)	40		3	
External Relations (Professional/Community)	93	2	2	
Recruitment	63			2
Compliance (With Licensing & Regulatory Agencies)	73			1

1990 Physician Executive Compensation Survey

Organization Type: All Organizations
Physician Executive: Other Managers
Time Commitment: Full Time
Number in Sample: 171

Compensation

	25%	Average	Median	75%
Base Salary	$95,000	$137,616	$119,600	$150,000
Percentage Change from 1987		+32%	+23%	
Bonus/Incentives	10,000	19,700	15,000	25,000
Total Compensation	101,500	144,916	125,000	153,000
Fringe Benefits (perceived value)	10,000	19,917	20,000	26,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	16%	**Country Club Membership** (full or partial)	2%
Credit Card (for entertainment)	11%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	75%
Written Contract	59%	**Defined Parachute**	14%
Contract Term	2 Years	**Parachute Term**	6 Months

Respondent Profile

Average Age	47 Years	**Hours In Management** (per week)	42 Hours
Sex (Male)	91%	**Years In Current Position**	4 Years
Board Certification (ABMS Clinical Boards)	98%	**Management Degree** (have or working on)	36%

Organization Type: All Organizations
Physician Executive: Other Managers
Time Commitment: Full Time
Number in Sample: 171

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	80	4		
Quality Assurance (QA/UR/RM)	80	1	3	2
Credentials (Medical Staff)	50			
Supervise Physicians (Physician Executives or Physicians)	68	2		
Strategic Planning (Budget/Programs/Equipment)	76	3	1	4
Education (CME/Community/Graduate)	64		2	
External Relations (Professional/Community)	71		4	
Recruitment	64			3
Compliance (With Licensing & Regulatory Agencies)	69			1

Chapter II

Physician Managers in Hospitals

Physician manager respondents who currently work in hospitals were the largest group of the survey. This occurred in all of the years in which the survey was conducted. While the membership of the American College of Physician Executives is largely composed of hospital-physician executives, it is also clear that the overall representation of physicians in management positions is greatest in the hospital sector. If for no other reason, the sheer number of hospitals and the resulting multiple opportunities for management involvement would suggest a higher number of physician managers. Consequently, the information in this chapter tends to be the most statistically reliable of the survey, especially for senior medical manager positions.

Reports Included in this Chapter

1. Full-time Managers: Those managers who reported a 75% or more time commitment to managerial duties in a hospital are included. Reports are provided for top managers, senior medical managers, other managers and a summary report of all respondents. All reports can be compared with previous year data regarding trends in compensation and several demographics. However, the duties section is new information this year.

2. Part-time Managers: Physicians who reported less than a 75% time commitment to managerial duties were included with these reports as part-time managers. Reports include senior medical managers and all respondents; top managers were omitted because of a small number of responses.

3. Comparisons: Data reports were generated to determine the influence of a number of demographic factors on compensation and are included as additional information for the reader. As in the past, the reports are provided by age and whether the respondent did or did not have an employment contract. New reports this year look at the effect of a first position versus those who have held more than one management position. Also new is a comparison of those who possess an advanced management degree, with those who do not. All reports exclude top manager specific data due to the sample size.

4. Regional Report: Data for hospital physician managers are separated and reported by six regions in the country and include annual salary and total compensation data.

Comments and Observations About the Data in this Chapter

1. Top managers remain a small portion of the current hospital chief executive officer population. Although compensation increased significantly, the small size of the sample gives little confidence in the figures. To the degree such comparisons with the 1987 Report can be made, compensation has increased over 50%, hours per week have decreased by 15%, and 60% participate in a bonus or incentive plan, an increase from the 44% reported in 1987.

2. Senior medical managers have received increases in salaries of over 20% during the past three years or about 7% per year and an overall increase of 38% in bonuses or incentives. Fringe benefit amounts have shown no significant change during the same period of time. Average work hours per week and board certification have remained unchanged and 30% participate in a bonus or incentive plan, about the same as the previous report.

3. Executive benefits are not paid to the majority of respondents (62%) when the entire hospital group is considered. However, 45% of the medical directors do receive one or more such benefit. The most likely of such benefits were an automobile (or allowance) and a credit card for business entertainment. Country club membership, even at this level, is a rare benefit granted to medical directors.

4. Other managers include full-time associates and department chairmen involved with hospital management. Average salaries increased almost 40% during the three years, although bonuses or incentive amounts have remained virtually unchanged. As would be expected, this group receives less in the way of executive benefits than more senior physician managers. Those within this group who participate in bonuses or incentives was 24%, about the same as in 1987.

5. Part-time physician managers in hospitals have seen a slight reduction in average salary levels. Since they work about the same hours per week, and the sample is of reasonable size, this suggests that part-time physician executives in hospitals have lost compensation over the past three years. Part-time managers receive few executive benefits although there is a high percentage with a written employment contract.

6. Clinically:
   A. Top managers have an average of 14 years of clinical practice experience, 30% currently have clinical duties and 10% have academic duties.
   B. Senior medical managers have an average of 19 years of clinical practice experience, 20% currently have clinical duties and 6% have academic duties.
   C. Other managers have an average of 11 years of clinical practice experience, 44% currently have clinical duties and 19% have academic duties.

7. Managerially, 30% of all full-time respondents have or are working on a management degree. Of those who currently hold a degree (14%), compensation is about 7% higher.

1990 Physician Executive Compensation Survey

Organization Type: Hospitals
Physician Executive: Senior Medical Managers
Time Commitment: Full Time
Number in Sample: 305

Compensation

	25%	Average	Median	75%
Base Salary	$113,000	$132,189	$130,000	$150,000
Percentage Change from 1987		+21.3%	+21.5%	
Bonus/Incentives	8,000	18,655	12,500	24,000
Total Compensation	115,000	137,938	135,000	159,000
Fringe Benefits (perceived value)	10,000	18,351	16,000	25,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	28%	**Country Club Membership** (full or partial)	11.5%
Credit Card (for entertainment)	24%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	55%
Written Contract	59%	**Defined Parachute**	27%
Contract Term	2 Years	**Parachute Term**	8 Months

Respondent Profile

Average Age	55 Years	**Hours In Management** (per week)	47 Hours
Sex (Male)	95%	**Years In Current Position**	5 Years
Board Certification (ABMS Clinical Boards)	99%	**Management Degree** (have or working on)	27%

Organization Type: Hospitals
Physician Executive: Senior Medical Managers
Time Commitment: Full Time
Number in Sample: 305

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	98	1	1	
Quality Assurance (QA/UR/RM)	91	2	2	4
Credentials (Medical Staff)	93			4
Supervise Physicians (Physician Executive or Physicians)	71	3		3
Strategic Planning (Budget/Programs/Equipment)	75	4	3	4
Education (CME/Community/Graduate)	70		4	
External Relations (Professional/Community)	68	5	5	
Recruitment	72			2
Compliance (With Licensing & Regulatory Agencies)	84			1

1990 Physician Executive Compensation Survey

Organization Type: Hospitals
Physician Executive: Top Managers
Time Commitment: Full Time
Number in Sample: 10

Compensation

	25%	Average	Median	75%
Base Salary	$190,000	$228,000	$200,000	$280,000
Percentage Change from 1987		+57%	+52%	
Bonus/Incentives	20,000	28,917	20,000	40,000
Total Compensation	190,000	245,350	220,000	330,000
Fringe Benefits (perceived value)	16,000	25,100	20,000	40,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	50%	**Country Club Membership** (full or partial)	70%
Credit Card (for entertainment)	40%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	10%
Written Contract	30%	**Defined Parachute**	0%
Contract Term	4 Years	**Parachute Term**	n/a Months

Respondent Profile

Average Age	54 Years	**Hours In Management** (per week)	55 Hours
Sex (Male)	100%	**Years In Current Position**	11 Years
Board Certification (ABMS Clinical Boards)	100%	**Management Degree** (have or working on)	40%

Organization Type: Hospitals
Physician Executive: Top Managers
Time Commitment: Full Time
Number in Sample: 10

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.), which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	70			
Quality Assurance (QA/UR/RM)	50			2
Credentials (Medical Staff)	50		2	
Supervise Physicians (Physician Executives or Physicians)	50			
Strategic Planning (Budget/Programs/Equipment)	80	1	1	
Education (CME/Community/Graduate)	40			
External Relations (Professional/Community)	80	2	2	
Recruitment	70			
Compliance (With Licensing & Regulatory Agencies)	80			1

1990 Physician Executive Compensation Survey

Organization Type: Hospitals
Physician Executive: Other Managers
Time Commitment: Full Time
Number in Sample: 111

Compensation

	25%	Average	Median	75%
Base Salary	$100,000	$153,024	$130,000	$155,000
Percentage Change from 1987		+39.6%	+20.4%	
Bonus/Incentives	9,500	22,130	15,000	25,000
Total Compensation	105,000	158,455	130,000	162,000
Fringe Benefits (perceived value)	10,000	20,117	20,000	26,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	9%	**Country Club Membership** (full or partial)	< 1%
Credit Card (for entertainment)	5%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	87%
Written Contract	67%	**Defined Parachute**	16%
Contract Term	2 Years	**Parachute Term**	6 Months

Respondent Profile

Average Age	48 Years	**Hours In Management** (per week)	42 Hours
Sex (Male)	91%	**Years In Current Position**	5 Years
Board Certification (ABMS Clinical Boards)	98%	**Management Degree** (have or working on)	37%

Organization Type: Hospitals
Physician Executive: Other Managers
Time Commitment: Full Time
Number in Sample: 111

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	84	4	4	
Quality Assurance (QA/UR/RM)	84	1	3	2
Credentials (Medical Staff)	54			4
Supervise Physicians (Physician Executives or Physicians)	72	3		4
Strategic Planning (Budget/Programs/Equipment)	76	2	1	
Education (CME/Community/Graduate)	75	5	2	
External Relations (Professional/Community)	70		5	
Recruitment	64			3
Compliance (With Licensing & Regulatory Agencies)	73			1

1990 Physician Executive Compensation Survey

Organization Type: Hospitals
Physician Executive: All Respondents
Time Commitment: Full Time
Number in Sample: 426

Compensation

	25%	Average	Median	75%
Base Salary	$110,000	$139,836	$130,000	$152,000
Percentage Change from 1987		+26.3%	+19.3%	
Bonus/Incentives	8,400	19,879	14,000	25,000
Total Compensation	113,000	145,776	135,000	161,000
Fringe Benefits (perceived value)	10,000	18,993	18,000	25,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	23%	**Country Club Membership** (full or partial)	10%
Credit Card (for entertainment)	19%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	62%
Written Contract	60%	**Defined Parachute**	23%
Contract Term	2 Years	**Parachute Term**	8 Months

Respondent Profile

Average Age	53 Years	**Hours In Management** (per week)	46 Hours
Sex (Male)	94%	**Years In Current Position**	5 Years
Board Certification (ABMS Clinical Boards)	99%	**Management Degree** (have or working on)	30%

Organization Type: Hospitals
Physician Executive: All Respondents
Time Commitment: Full Time
Number in Sample: 426

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	93	1	1	
Quality Assurance (QA/UR/RM)	88	2	3	3
Credentials (Medical Staff)	82			4
Supervise Physicians (Physician Executives or Physicians)	70	3		4
Strategic Planning (Budget/Programs/Equipment)	75	3	2	
Education (CME/Community/Graduate)	70		4	
External Relations (Professional/Community)	69			
Recruitment	70			2
Compliance (With Licensing & Regulatory Agencies)	81			1

1990 Physician Executive Compensation Survey

Organization Type: Hospitals
Physician Executive: Senior Medical Managers
Time Commitment: Part Time
Number in Sample: 78

Compensation

	25%	Average	Median	75%
Base Salary	$40,000	$66,751	$63,000	$87,000
Percentage Change from 1987		-2.8%	-1.6%	
Bonus/Incentives	3,000	13,975	5,000	10,000
Total Compensation	40,000	69,796	64,000	89,000
Fringe Benefits (perceived value)	4,000	10,886	8,000	15,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	7%	**Country Club Membership** (full or partial)	5%
Credit Card (for entertainment)	12%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	79%
Written Contract	66%	**Defined Parachute**	16%
Contract Term	1 Years	**Parachute Term**	6 Months

Respondent Profile

Average Age	50 Years	**Hours In Management** (per week)	21 Hours
Sex (Male)	94%	**Years In Current Position**	4 Years
Board Certification (ABMS Clinical Boards)	98%	**Management Degree** (have or working on)	24.4%

Organization Type: Hospitals
Physician Executive: Senior Medical Managers
Time Commitment: Part Time
Number in Sample: 78

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	94	1	1	
Quality Assurance (QA/UR/RM)	85	2	2	2
Credentials (Medical Staff)	66			
Supervise Physicians (Physician Executives or Physicians)	67	5		3
Strategic Planning (Budget/Programs/Equipment)	71	3	3	
Education (CME/Community/Graduate)	51			
External Relations (Professional/Community)	55	4		
Recruitment	64			
Compliance (With Licensing & Regulatory Agencies)	73			1

1990 Physician Executive Compensation Survey

Organization Type: Hospitals
Physician Executive: Other Managers
Time Commitment: Part Time
Number in Sample: 102

Compensation

	25%	Average	Median	75%
Base Salary	$30,000	$69,031	$60,000	$95,000
Percentage Change from 1987		n/a	n/a	
Bonus/Incentives	5,000	31,727	15,000	20,000
Total Compensation	30,000	73,212	60,000	98,000
Fringe Benefits (perceived value)	7,000	15,640	15,000	20,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	1%	**Country Club Membership** (full or partial)	1%
Credit Card (for entertainment)	2%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	95%
Written Contract	69%	**Defined Parachute**	14%
Contract Term	2 Years	**Parachute Term**	6 Months

Respondent Profile

Average Age	46 Years	**Hours In Management** (per week)	22 Hours
Sex (Male)	96%	**Years In Current Position**	4 Years
Board Certification (ABMS Clinical Boards)	99%	**Management Degree** (have or working on)	31.4%

Organization Type: Hospitals
Physician Executive: Other Managers
Time Commitment: Part Time
Number in Sample: 102

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	81	2	2	
Quality Assurance (QA/UR/RM)	88	1	3	2
Credentials (Medical Staff)	48			4
Supervise Physicians (Physician Executives or Physicians)	72	3		
Strategic Planning (Budget/Programs/Equipment)	65	4	1	
Education (CME/Community/Graduate)	66		4	
External Relations (Professional/Community)	59			
Recruitment	51			3
Compliance (With Licensing & Regulatory Agencies)	58			1

1990 Physician Executive Compensation Survey

Organization Type: Hospitals
Physician Executive: All Respondents
Time Commitment: Part Time
Number in Sample: 182

Compensation

	25%	Average	Median	75%
Base Salary	$37,000	$67,800	$60,000	$89,000
Percentage Change from 1987		-3%	-4.8%	
Bonus/Incentives	5,000	22,465	8,000	20,000
Total Compensation	37,000	71,444	60,000	91,000
Fringe Benefits (perceived value)	5,000	13,894	10,000	20,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	4%	**Country Club Membership** (full or partial)	3%
Credit Card (for entertainment)	7%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	88%
Written Contract	68%	**Defined Parachute**	15%
Contract Term	2 Years	**Parachute Term**	6 Months

Respondent Profile

Average Age	48 Years	**Hours In Management** (per week)	22 Hours
Sex (Male)	95%	**Years In Current Position**	4 Years
Board Certification (ABMS Clinical Boards)	98%	**Management Degree** (have or working on)	28%

Organization Type: Hospitals
Physician Executive: All Respondents
Time Commitment: Part Time
Number in Sample: 182

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	87	1	1	
Quality Assurance (QA/UR/RM)	86	2	3	2
Credentials (Medical Staff)	55			
Supervise Physicians (Physician Executives or Physicians)	69	4		3
Strategic Planning (Budget/Programs/Equipment)	68	3	2	5
Education (CME/Community/Graduate)	59	5	4	
External Relations (Professional/Community)	58	5	5	
Recruitment	57			4
Compliance (With Licensing & Regulatory Agencies)	64			1

Senior Medical Managers
In
Hospitals

Regional Comparisons

	ANNUAL SALARY				TOTAL COMPENSATION			
REGION	25%	$\overline{X}$	50%	75%	25%	$\overline{X}$	50%	75%
Pacific	115,000	138,386	130,000	160,000	123,000	142,727	130,000	160,000
Southwest	98,000	114,417	108,000	133,000	103,000	117,239	115,000	140,000
Northwest	120,000	136,347	140,000	160,000	132,800	147,347	152,000	166,400
Midwest	120,000	133,011	135,000	150,000	120,000	139,508	138,500	154,000
Northeast	115,000	136,676	137,500	159,000	120,000	142,421	140,000	168,000
Southeast	105,000	123,580	125,000	150,000	110,000	129,483	130,000	154,500

All Respondents
In
Hospitals

Regional Comparisons

	ANNUAL SALARY				TOTAL COMPENSATION			
REGION	25%	$\overline{X}$	50%	75%	25%	$\overline{X}$	50%	75%
Pacific	108,000	130,739	128,400	150,000	108,000	133,819	128,400	155,000
Southwest	98,000	127,796	120,000	150,000	103,000	131,344	120,000	150,000
Northwest	120,000	132,733	130,000	160,000	132,800	143,900	150,000	166,400
Midwest	120,000	154,037	135,000	152,000	120,000	160,003	138,500	160,000
Northeast	110,000	138,338	137,500	162,800	115,000	144,093	140,000	170,800
Southeast	100,000	126,761	125,000	150,000	105,000	135,427	132,000	160,000

Senior Medical Managers
In
Hospitals

Bed Size Comparisons

	ANNUAL SALARY				TOTAL COMPENSATION			
Bed Size	25%	$\overline{X}$	50%	75%	25%	$\overline{X}$	50%	75%
< 100	110,000	132,582	140,000	160,000	115,000	137,784	140,500	170,000
100-349	105,000	124,601	123,000	144,000	108,000	130,330	125,000	150,000
350-499	120,000	132,572	132,000	150,000	120,000	137,075	143,000	153,000
500-1000	127,500	144,125	141,000	164,000	132,000	150,680	150,000	170,800
> 1000	135,000	152,000	165,000	180,000	155,000	165,333	165,000	210,000

Senior Medical Managers In Hospitals

AGE	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
Under 40 years	35	2	63%	6	18%	27%	136,545	139,272
40 to 65 years	54	4	47%	18	24%	4%	133,851	140,268
Over 65 years	69	6	58%	32	18%	3%	118,071	119,688

Other Managers In Hospitals

AGE	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
Under 40 years	36	3	37%	3	56%	31%	131,000	136,467
40 to 65 years	49	5	40%	12	21%	7%	157,209	162,693
Over 65 years	NOT SUFFICIENT DATA							

Senior Medical Managers
In
Hospitals

CONTRACT	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
Written Contract	54	4	47%	18	28%	4%	136,381	143,812
No Written Contract	56	5	51%	20	14%	4%	127,177	130,917

Other Managers
In
Hospitals

CONTRACT	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
Written Contract	47	5	42%	10	24%	13%	165,237	171,884
No Written Contract	48	4	36%	12	30%	7%	129,545	132,959

Senior Medical Managers In Hospitals

FIRST POSITION	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
First Mgt. Position	55	5	100%	21	11%	4%	122,376	126,233
Not First Mgt. Position	54	4	0%	17	36%	5%	143,157	150,975

Other Managers In Hospitals

FIRST POSITION	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
First Mgt. Position	46	5	100%	12	14%	18%	130,937	136,077
Not First Mgt. Position	49	4	0%	11	37%	7%	168,747	173,045

Senior Medical Managers
In
Hospitals

DEGREE	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
Management Degree	51	4	20%	16	100%	2%	138,007	146,464
No Management Degree	55	5	53%	20	0%	5%	131,234	136,539

All Respondents
In
Hospitals

DEGREE	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
Management Degree	50	4	22%	14	100%	3%	138,609	147,214
No Management Degree	53	5	50%	18	0%	6%	140,069	145,502

Chapter III

Physician Managers in Group Practice

In all group practices, from a two physician single specialty to a five hundred physician multi-specialty group, some physician takes a leadership role with the management of the practice. As groups become larger, more energy and time is necessary to manage the affairs of the group and a physician from within the group is identified as the manager, with titles such as Managing Partner, Medical Director or similar designations. These physicians also may report to the board and function as a chief executive officer (top medical manager in this report) or have a parallel reporting arrangement with an administrator and function as a medical director (senior medical manager). The distinction is vague in the reporting of this survey and therefore we suggest one look at both positions when analyzing the data for group leadership comparisons.

Other managers in group practice were almost exclusively part-time managers, with less than 75% of time devoted to management. Therefore, other manager data is only available for part-time physicians, a result that was not unexpected, given the history of paid physician management in group practice.

Reports Included in this Chapter

1. Full-time Managers: Those physicians who reported a 75% or more time commitment to management duties in a group practice are included. Reports for top managers and senior medical managers are provided along with a summary, all respondent report. Comparisons with previous years are possible to determine trends in compensation. New data regarding physician executive duties is available for the first time this year.

2. Part-time Managers: Physicians who reported less than a 75% time commitment to managerial duties in a group practice environment are included. Reports include all three types of physician managers and a summary report as well.

3. Comparisons: Reports are provided that consider data by age, first management versus more than one management position, those with written employment contracts and for those with management degrees. Reports are provided for those groups of physicians in which sufficient data were available for any reasonable comparison.

4. Regional Reports: Data for group practice physician executives are separated and

reported by six regions in the country and includes annual salary and total compensation data.

Comments and Observations About the Data in this Chapter

1. Top managers showed an increase of 24% in average salary over 1987 data, hours per week remained the same, and 43% participate in a bonus or incentive, which also is unchanged.

2. Senior medical managers had a 33.7% increase in average salary since 1987, the hours remain at about the same per week and 42% report participation in a bonus or incentive plan, a figure down 20% since the earlier report.

3. Executive benefits are provided to those in top manager positions to a greater extent than other categories of managers. This includes country club memberships which are more often provided to this group. Perhaps the high degree of external relations duties of top managers contributes to the need for such benefits. Otherwise, executive benefits for the senior medical manager are not often provided.

4. Part-time physician managers in a group practice may be the norm in the majority of such situations. Given the high value placed on clinical practice by physicians in a group practice, physicians may have to combine any management role with an equal role as a clinician. In any event, compensation for senior medical managers increased, top managers decreased and the all respondent reports note no change in the average salary reported. Fewer executive benefits are noted as would be expected for positions that approximate half time, and about one third have a written employment contract.

5. Clinically:
   A. Top managers have an average of 15 years of clinical practice experience, 52% currently have clinical duties and 4% have academic duties.

   B. Senior medical managers have an average of 14 years of clinical practice experience, 42% currently have clinical duties and 18% have academic duties.

   C. Other managers have an average of 18 years of clinical practice experience, 50% currently have clinical duties and 25% have academic duties.

6. Managerially, 20% of all full-time respondents have or are working on a management degree. Of those who currently hold a degree (13%), there is virtually no difference in compensation.

1990 Physician Executive Compensation Survey

Organization Type: Group Practice
Physician Executive: Senior Medical Managers
Time Commitment: Full Time
Number in Sample: 33

Compensation

	25%	Average	Median	75%
Base Salary	$100,000	$140,618	$137,000	$162,000
Percentage Change from 1987		+33.7%	+25%	
Bonus/Incentives	10,000	18,393	12,000	25,000
Total Compensation	100,000	148,421	150,000	166,500
Fringe Benefits (perceived value)	12,000	22,102	20,000	30,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	6%	**Country Club Membership** (full or partial)	3%
Credit Card (for entertainment)	15%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	78%
Written Contract	63%	**Defined Parachute**	15%
Contract Term	2 Years	**Parachute Term**	6 Months

Respondent Profile

Average Age	49 Years	**Hours In Management** (per week)	47 Hours
Sex (Male)	90%	**Years In Current Position**	4 Years
Board Certification (ABMS Clinical Boards)	100%	**Management Degree** (have or working on)	15%

Organization Type: Group Practice
Physician Executive: Senior Medical Managers
Time Commitment: Full Time
Number in Sample: 33

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	93	3	2	
Quality Assurance (QA/UR/RM)	81	3		2
Credentials (Medical Staff)	84			2
Supervise Physicians (Physician Executives or Physicians)	100	1		
Strategic Planning (Budget/Programs/Equipment)	78	2	1	
Education (CME/Community/Graduate)	51			
External Relations (Professional/Community)	75		2	
Recruitment	90		2	
Compliance (With Licensing & Regulatory Agencies)	72			1

1990 Physician Executive Compensation Survey

Organization Type: Group Practice
Physician Executive: Top Managers
Time Commitment: Full Time
Number in Sample: 23

Compensation

	25%	Average	Median	75%
Base Salary	$150,000	$193,430	$180,000	$225,000
Percentage Change from 1987		+24%	+20%	
Bonus/Incentives	17,500	50,950	22,500	100,000
Total Compensation	150,000	215,583	184,000	280,000
Fringe Benefits (perceived value)	15,000	26,068	20,000	35,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	47%	**Country Club Membership** (full or partial)	35%
Credit Card (for entertainment)	43%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	26%
Written Contract	65%	**Defined Parachute**	39%
Contract Term	3 Years	**Parachute Term**	11 Months

Respondent Profile

Average Age	50 Years	**Hours In Management** (per week)	46 Hours
Sex (Male)	95%	**Years In Current Position**	5 Years
Board Certification (ABMS Clinical Boards)	100%	**Management Degree** (have or working on)	30%

Organization Type: Group Practice
Physician Executive: Top Managers
Time Commitment: Full Time
Number in Sample: 23

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	91	3		3
Quality Assurance (QA/UR/RM)	60			
Credentials (Medical Staff)	60			
Supervise Physicians (Physician Executives or Physicians)	82	3		2
Strategic Planning (Budget/Programs/Equipment)	100	1	1	
Education (CME/Community/Graduate)	34			
External Relations (Professional/Community)	100	2	2	
Recruitment	73			3
Compliance (With Licensing & Regulatory Agencies)	82			1

1990 Physician Executive Compensation Survey

Organization Type: Group Practice
Physician Executive: All Respondents
Time Commitment: Full Time
Number in Sample: 60

Compensation

	25%	Average	Median	75%
Base Salary	$110,000	$162,605	$150,000	$185,000
Percentage Change from 1987		+30.7%	+25%	
Bonus/Incentives	10,000	29,926	17,500	30,000
Total Compensation	120,000	176,072	160,000	200,000
Fringe Benefits (perceived value)	10,000	23,563	20,000	30,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	23%	**Country Club Membership** (full or partial)	15%
Credit Card (for entertainment)	25%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	58%
Written Contract	65%	**Defined Parachute**	25%
Contract Term	2 Years	**Parachute Term**	9 Months

Respondent Profile

Average Age	49 Years	**Hours In Management** (per week)	46 Hours
Sex (Male)	93%	**Years In Current Position**	4 Years
Board Certification (ABMS Clinical Boards)	100%	**Management Degree** (have or working on)	20%

Organization Type: Group Practice
Physician Executive: All Respondents
Time Commitment: Full Time
Number in Sample: 60

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	93	3	3	
Quality Assurance (QA/UR/RM)	73	4	4	3
Credentials (Medical Staff)	73			4
Supervise Physicians (Physician Executives or Physicians)	91	2		2
Strategic Planning (Budget/Programs/Equipment)	85	1	1	
Education (CME/Community/Graduate)	45			
External Relations (Professional/Community)	85	5	2	
Recruitment	85		5	4
Compliance (With Licensing & Regulatory Agencies)	73			1

1990 Physician Executive Compensation Survey

Organization Type: Group Practice
Physician Executive: Senior Medical Managers
Time Commitment: Part Time
Number in Sample: 29

Compensation

	25%	Average	Median	75%
Base Salary	$24,000	$78,887	$75,000	$110,000
Percentage Change from 1987		+13.8%	+30.5%	
Bonus/Incentives	2,000	11,771	10,000	20,000
Total Compensation	24,000	81,729	77,000	115,000
Fringe Benefits (perceived value)	10,000	17,684	18,000	25,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	3%	**Country Club Membership** (full or partial)	0%
Credit Card (for entertainment)	10%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	86%
Written Contract	48%	**Defined Parachute**	13%
Contract Term	2 Years	**Parachute Term**	4 Months

Respondent Profile

Average Age	44 Years	**Hours In Management** (per week)	21 Hours
Sex (Male)	89%	**Years In Current Position**	5 Years
Board Certification (ABMS Clinical Boards)	96%	**Management Degree** (have or working on)	34.5%

Organization Type: Group Practice
Physician Executive: Senior Medical Managers
Time Commitment: Part Time
Number in Sample: 29

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	93	4		
Quality Assurance (QA/UR/RM)	89	2	1	
Credentials (Medical Staff)	65			
Supervise Physicians (Physician Executives or Physicians)	93	1	2	2
Strategic Planning (Budget/Programs/Equipment)	68	4		
Education (CME/Community/Graduate)	37			
External Relations (Professional/Community)	79		2	
Recruitment	86	3		3
Compliance (With Licensing & Regulatory Agencies)	65			1

1990 Physician Executive Compensation Survey

Organization Type: Group Practice
Physician Executive: Top Managers
Time Commitment: Part Time
Number in Sample: 23

Compensation

	25%	Average	Median	75%
Base Salary	$24,000	$41,022	$30,000	$50,000
Percentage Change from 1987		-19.6%	n/c	
Bonus/Incentives	20,000	14,067	19,700	19,700
Total Compensation	24,000	42,857	30,000	60,000
Fringe Benefits (perceived value)	10,000	14,813	12,000	20,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	21%	**Country Club Membership** (full or partial)	17%
Credit Card (for entertainment)	17%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	65%
Written Contract	34%	**Defined Parachute**	4%
Contract Term	1 Years	**Parachute Term**	12 Months

Respondent Profile

Average Age	47 Years	**Hours In Management** (per week)	18 Hours
Sex (Male)	100%	**Years In Current Position**	5 Years
Board Certification (ABMS Clinical Boards)	100%	**Management Degree** (have or working on)	47.8%

Organization Type: Group Practice
Physician Executive: Top Managers
Time Commitment: Part Time
Number in Sample: 23

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	69	2	3	
Quality Assurance (QA/UR/RM)	47			2
Credentials (Medical Staff)	34			
Supervise Physicians (Physician Executives or Physicians)	69	3		2
Strategic Planning (Budget/Programs/Equipment)	95	1	1	
Education (CME/Community/Graduate)	26			
External Relations (Professional/Community)	86	3	2	
Recruitment	65			2
Compliance (With Licensing & Regulatory Agencies)	52			1

1990 Physician Executive Compensation Survey

Organization Type: Group Practice
Physician Executive: Other Managers
Time Commitment: Part Time
Number in Sample: 29

Compensation

	25%	Average	Median	75%
Base Salary	$20,000	$69,160	$66,500	$86,400
Percentage Change from 1987		+1.8%	n/a	
Bonus/Incentives	2,000	8,444	6,000	10,000
Total Compensation	20,000	71,781	73,000	98,000
Fringe Benefits (perceived value)	15,000	19,767	20,000	25,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	17%	Country Club Membership (full or partial)	0%
Credit Card (for entertainment)	6%	No Executive Benefits Reported (Auto/Credit Card/Country Club)	82%
Written Contract	24%	Defined Parachute	6%
Contract Term	2 Years	Parachute Term	5 Months

Respondent Profile

Average Age	43 Years	Hours In Management (per week)	20 Hours
Sex (Male)	86%	Years In Current Position	5 Years
Board Certification (ABMS Clinical Boards)	100%	Management Degree (have or working on)	20.7%

Organization Type: Group Practice
Physician Executive: Other Managers
Time Commitment: Part Time
Number in Sample: 29

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	79	2		
Quality Assurance (QA/UR/RM)	72			2
Credentials (Medical Staff)	34			
Supervise Physicians (Physician Executives or Physicians)	79	1	2	
Strategic Planning (Budget/Programs/Equipment)	79		1	2
Education (CME/Community/Graduate)	55		2	
External Relations (Professional/Community)	51		2	
Recruitment	65	3		
Compliance (With Licensing & Regulatory Agencies)	44			1

1990 Physician Executive Compensation Survey

Organization Type: Group Practice
Physician Executive: All Respondents
Time Commitment: Part Time
Number in Sample: 81

Compensation

	25%	Average	Median	75%
Base Salary	$24,000	$64,653	$55,000	$91,000
Percentage Change from 1987		+1%	+25%	
Bonus/Incentives	2,500	10,558	7,500	20,000
Total Compensation	24,000	67,129	60,000	93,000
Fringe Benefits (perceived value)	10,400	18,117	19,800	25,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	13%	**Country Club Membership** (full or partial)	5%
Credit Card (for entertainment)	11%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	79%
Written Contract	35%	**Defined Parachute**	8%
Contract Term	2 Years	**Parachute Term**	5 Months

Respondent Profile

Average Age	44 Years	**Hours In Management** (per week)	19 Hours
Sex (Male)	91%	**Years In Current Position**	5 Years
Board Certification (ABMS Clinical Boards)	98%	**Management Degree** (have or working on)	33%

Organization Type: Group Practice
Physician Executive: All Respondents
Time Commitment: Part Time
Number in Sample: 81

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	81	3		
Quality Assurance (QA/UR/RM)	71	4	3	3
Credentials (Medical Staff)	45			
Supervise Physicians (Physician Executives or Physicians)	81	1	3	2
Strategic Planning (Budget/Programs/Equipment)	80	2	1	
Education (CME/Community/Graduate)	40			
External Relations (Professional/Community)	71		2	
Recruitment	72	4		3
Compliance (With Licensing & Regulatory Agencies)	54			1

All Respondents
In
Group Practice

Regional Comparisons

	ANNUAL SALARY				TOTAL COMPENSATION			
REGION	25%	$\overline{X}$	50%	75%	25%	$\overline{X}$	50%	75%
Pacific	150,000	177,000	180,000	240,000	167,500	189,500	180,000	300,000
Southwest	100,000	149,833	160,000	205,000	105,000	163,500	166,500	225,000
Northwest			NOT SUFFICIENT DATA					
Midwest	124,000	160,856	140,000	175,000	124,000	166,467	151,000	184,000
Northeast	120,000	142,889	155,000	200,000	150,000	156,333	170,000	200,000
Southeast	150,000	190,875	175,000	220,000	152,000	209,250	210,000	280,000

Senior Medical Managers
In
Group Practice

AGE	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
Under 40 years	36	2	28%	4	14%	0%	118,571	132,500
40 to 65 years	50	4	34%	15	17%	0%	151,322	158,278
Over 65 years				NOT SUFFICIENT DATA				

Senior Medical Managers
In
Group Practice

CONTRACT	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
Written Contract	47	4	42%	13	24%	0%	139,448	149,281
No Written Contract	50	4	20%	16	0%	0%	145,200	149,150

Top Managers
in
Group Practice

CONTRACT	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
Written Contract	49	6	40%	15	27%	7%	191,933	205,400
No Written Contract	52	3	16%	20	17%	0%	188,317	214,567

Senior Medical Managers
In
Group Practice

FIRST POSITION	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
First Mgt. Position	46	5	100%	13	18%	0%	118,309	126,627
Not First Mgt. Position	51	3	0%	16	16%	0%	157,316	163,947

Top Managers
in
Group Practice

FIRST POSITION	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
First Mgt. Position	54	8	100%	17	25%	13%	215,875	235,563
Not First Mgt. Position	49	3	0%	15	31%	0%	189,531	207,377

All Respondents in Group Practice

DEGREE	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
With Management Degree	49	6	37%	14	100%	0%	164,500	176,063
Without Management Degree	49	4	36%	15	0%	2%	162,313	176,073

Chapter IV

Physicians Managers in Managed Care

This chapter includes physicians who serve in a management capacity for organizations engaged in the provision of managed health care services. These primarily include prepaid health care plans of varying configurations. Physician executives are often a principal manager in managed care organizations, not unexpected given the nature of the services provided. The most traditional role in managed care is that of medical director in which a myriad of duties are placed on a physician executive most often concentrating on quality assurance and supervision of practitioners within the organization. The response to this year's survey in managed care is about the same as in the 1987 survey, including the largest group represented by senior medical managers.

Reports Included in this Chapter

1. Full-time Managers: Physician managers who devote 75% or more time to management duties in a managed care organization are included. Reports include top managers, senior medical managers, other managers and an all respondents report. While the information on duties is new this year, most compensation and demographic data is comparable with the 1987 Report.

2. Part-time Managers: Those respondents with less than 75% time devoted to management duties are included with these reports as part-time managers. Reports include senior medical managers, other managers and an all respondents report. Part-time top manager respondents were too few to report.

3. Comparisons: Reports were generated to consider the age of managers, whether they had written contracts, whether they were currently in their first management position and whether they possessed a management degree. Based upon these criteria, reports are included where sufficient data is present to compare subgroups within managed care. Age and contract status can be compared with the 1987 Report; first position and management degree information is new this year. All reports exclude top managers due to a small sample size.

4. Size Comparisons: A report comparing the annual salary and compensation for senior medical managers has been included which looks at managed care organizations by four sizes based on enrollee size.

Comments and Observations About the Data in this Chapter

1. Top manager compensation has been included even though the sample size is too small for a meaningful statistical analysis. The availability of this information will, however, provide some indication of the CEO position with a physician incumbent.

2 An increase of about 20% in annual salary has been demonstrated for senior medical managers during the past three years. This increase is a different result than a 1986 to 1987 comparison in which no change occurred between those two years. The bonuses and incentive amounts also increased significantly during this period and suggest compensation is now demonstrating normal increases. Fringe benefits have seen no significant change in average amounts but that is true for most managers. Average working hours have not changed. The percentage of physicians in this category who are board certified increased from 83% to 99% which suggests some changes in those reporting in this category and a continued emphasis on this credential. As in the case with previous reports, a high percentage of respondents participate in bonus or incentive plans (70%).

3. Executive benefits were often mentioned in this organization type and, indeed, 60% of respondents in managed care organizations received one or more such benefits. However, country club membership is not a benefit of choice for many organizations.

4. Clinically:
   A. Top managers have an average of 16 years of clinical practice experience, none currently have clinical duties and 16% have academic duties.

   B. Senior medical managers have an average of 15 years of clinical practice experience, 8% currently have clinical duties and none have academic duties.

   C. Other managers have an average of 13 years of clinical practice experience, 20% currently have clinical duties and 10% have academic duties.

5. Managerially, 34% of all full-time respondents have or are working on a management degree. Of those who currently hold a degree (24%), total compensation was about 8 -9% higher than those without a degree.

1990 Physician Executive Compensation Survey

Organization Type: Managed Care
Physician Executive: Senior Medical Managers
Time Commitment: Full Time
Number in Sample: 114

Compensation

	25%	Average	Median	75%
Base Salary	$111,000	$124,142	$122,000	$132,000
Percentage Change from 1987		+20.7%	+23%	
Bonus/Incentives	13,000	24,338	20,000	25,000
Total Compensation	120,500	141,222	133,500	153,000
Fringe Benefits (perceived value)	10,000	19,081	18,000	30,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	33%	**Country Club Membership** (full or partial)	6%
Credit Card (for entertainment)	32%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	43%
Written Contract	42%	**Defined Parachute**	15%
Contract Term	1 Years	**Parachute Term**	7 Months

Respondent Profile

Average Age	50 Years	**Hours In Management** (per week)	48 Hours
Sex (Male)	91%	**Years In Current Position**	3 Years
Board Certification (ABMS Clinical Boards)	99%	**Management Degree** (have or working on)	30%

Organization Type: Managed Care
Physician Executive: Senior Medical Managers
Time Commitment: Full Time
Number in Sample: 114

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	80	3	4	
Quality Assurance (QA/UR/RM)	96	1	1	4
Credentials (Medical Staff)	91			3
Supervise Physicians (Physician Executives or Physicians)	72	2		
Strategic Planning (Budget/Programs/Equipment)	83	4	2	2
Education (CME/Community/Graduate)	31			
External Relations (Professional/Community)	84	4	3	
Recruitment	65			5
Compliance (With Licensing & Regulatory Agencies)	74			1

1990 Physician Executive Compensation Survey

Organization Type: Managed Care
Physician Executive: Top Managers
Time Commitment: Full Time
Number in Sample: 6

Compensation

	25%	Average	Median	75%
Base Salary	$137,506	$167,250	$144,000	$195,000
Percentage Change from 1987		+32%	+25.9%	
Bonus/Incentives	90,000	48,000	50,000	50,000
Total Compensation	194,000	207,250	205,000	215,000
Fringe Benefits (perceived value)	9,000	19,167	20,000	30,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	100%	**Country Club Membership** (full or partial)	50%
Credit Card (for entertainment)	83%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	0%
Written Contract	66%	**Defined Parachute**	50%
Contract Term	3 Years	**Parachute Term**	8 Months

Respondent Profile

Average Age	56 Years	**Hours In Management** (per week)	36 Hours
Sex (Male)	100%	**Years In Current Position**	6 Years
Board Certification (ABMS Clinical Boards)	100%	**Management Degree** (have or working on)	66%

Organization Type: Managed Care
Physician Executive: Top Managers
Time Commitment: Full Time
Number in Sample: 6

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	66			
Quality Assurance (QA/UR/RM)	33		2	
Credentials (Medical Staff)	16			
Supervise Physicians (Physician Executives or Physicians)	33	2	2	
Strategic Planning (Budget/Programs/Equipment)	100	1	1	
Education (CME/Community/Graduate)	33		2	
External Relations (Professional/Community)	100			
Recruitment	16			
Compliance (With Licensing & Regulatory Agencies)	50			1

Organization Type: Managed Care
Physician Executive: Other Managers
Time Commitment: Full Time
Number in Sample: 20

Compensation

	25%	Average	Median	75%
Base Salary	$85,000	$106,120	$112,000	$120,000
Percentage Change from 1987		+25%	+31.8%	
Bonus/Incentives	19,000	19,439	20,000	25,000
Total Compensation	95,000	120,699	124,600	140,000
Fringe Benefits (perceived value)	15,000	19,097	18,000	25,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	50%	**Country Club Membership** (full or partial)	0%
Credit Card (for entertainment)	25%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	35%
Written Contract	45%	**Defined Parachute**	15%
Contract Term	1 Years	**Parachute Term**	8 Months

Respondent Profile

Average Age	46 Years	**Hours In Management** (per week)	44 Hours
Sex (Male)	90%	**Years In Current Position**	2 Years
Board Certification (ABMS Clinical Boards)	100%	**Management Degree** (have or working on)	45%

Organization Type: Managed Care
Physician Executive: Other Managers
Time Commitment: Full Time
Number in Sample: 20

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	80	2	2	
Quality Assurance (QA/UR/RM)	100	1	1	2
Credentials (Medical Staff)	50			
Supervise Physicians (Physician Executives or Physicians)	60	2		3
Strategic Planning (Budget/Programs/Equipment)	65		3	3
Education (CME/Community/Graduate)	25			
External Relations (Professional/Community)	80		2	
Recruitment	65			3
Compliance (With Licensing & Regulatory Agencies)	55			1

1990 Physician Executive Compensation Survey

Organization Type: Managed Care
Physician Executive: All Respondents
Time Commitment: Full Time
Number in Sample: 140

Compensation

	25%	Average	Median	75%
Base Salary	$110,000	$123,415	$120,000	$134,000
Percentage Change from 1987		+20.1%	+20%	
Bonus/Incentives	13,000	24,787	20,000	25,000
Total Compensation	120,000	141,120	134,550	153,000
Fringe Benefits (perceived value)	10,000	19,088	18,000	25,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	38%	**Country Club Membership** (full or partial)	7%
Credit Card (for entertainment)	33%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	40%
Written Contract	44%	**Defined Parachute**	17%
Contract Term	1 Years	**Parachute Term**	7 Months

Respondent Profile

Average Age	49 Years	**Hours In Management** (per week)	47 Hours
Sex (Male)	91%	**Years In Current Position**	3 Years
Board Certification (ABMS Clinical Boards)	99%	**Management Degree** (have or working on)	34%

Organization Type: Managed Care
Physician Executive: All Respondents
Time Commitment: Full Time
Number in Sample: 140

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	80	3	4	
Quality Assurance (QA/UR/RM)	94	1	1	4
Credentials (Medical Staff)	82			3
Supervise Physicians (Physician Executives or Physicians)	69	2	5	
Strategic Planning (Budget/Programs/Equipment)	81	4	2	2
Education (CME/Community/Graduate)	30			
External Relations (Professional/Community)	84	5	3	
Recruitment	63			
Compliance (With Licensing & Regulatory Agencies)	70			1

1990 Physician Executive Compensation Survey

Organization Type: Managed Care
Physician Executive: Senior Medical Managers
Time Commitment: Part Time
Number in Sample: 28

Compensation

	25%	Average	Median	75%
Base Salary	$45,000	$71,541	$60,000	$86,000
Percentage Change from 1987		+48.5%	+39%	
Bonus/Incentives	3,000	8,856	6,000	12,500
Total Compensation	45,000	74,388	60,000	98,900
Fringe Benefits (perceived value)	3,000	18,455	16,000	20,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	21%	**Country Club Membership** (full or partial)	0%
Credit Card (for entertainment)	10%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	78%
Written Contract	67%	**Defined Parachute**	17%
Contract Term	1 Years	**Parachute Term**	6 Months

Respondent Profile

Average Age	49 Years	**Hours In Management** (per week)	22 Hours
Sex (Male)	96%	**Years In Current Position**	4 Years
Board Certification (ABMS Clinical Boards)	100%	**Management Degree** (have or working on)	21.4%

Organization Type: Managed Care
Physician Executive: Senior Medical Managers
Time Commitment: Part Time
Number in Sample: 28

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	92	2	2	
Quality Assurance (QA/UR/RM)	89	1	1	2
Credentials (Medical Staff)	82			
Supervise Physicians (Physician Executives or Physicians)	57	3		
Strategic Planning (Budget/Programs/Equipment)	67	3	2	
Education (CME/Community/Graduate)	39			
External Relations (Professional/Community)	82			
Recruitment	57			
Compliance (With Licensing & Regulatory Agencies)	53			1

1990 Physician Executive Compensation Survey

Organization Type: Managed Care
Physician Executive: Other Managers
Time Commitment: Part Time
Number in Sample: 25

Compensation

	25%	Average	Median	75%
Base Salary	$18,000	$51,387	$59,000	$70,000
Percentage Change from 1987		n/a	n/a	
Bonus/Incentives	2,000	5,833	4,000	7,500
Total Compensation	18,000	55,715	59,000	83,000
Fringe Benefits (perceived value)	8,750	21,418	20,000	30,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	16%	**Country Club Membership** (full or partial)	0%
Credit Card (for entertainment)	0%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	84%
Written Contract	44%	**Defined Parachute**	8%
Contract Term	1 Years	**Parachute Term**	4 Months

Respondent Profile

Average Age	44 Years	**Hours In Management** (per week)	18 Hours
Sex (Male)	96%	**Years In Current Position**	3 Years
Board Certification (ABMS Clinical Boards)	96%	**Management Degree** (have or working on)	20%

Organization Type: Managed Care
Physician Executive: Other Managers
Time Commitment: Part Time
Number in Sample: 25

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	76	3	2	1
Quality Assurance (QA/UR/RM)	84	2	2	
Credentials (Medical Staff)	36			
Supervise Physicians (Physician Executives or Physicians)	68	1	1	
Strategic Planning (Budget/Programs/Equipment)	52		3	1
Education (CME/Community/Graduate)	48			
External Relations (Professional/Community)	36			
Recruitment	52			1
Compliance (With Licensing & Regulatory Agencies)	28			1

1990 Physician Executive Compensation Survey

Organization Type: Managed Care
Physician Executive: All Respondents
Time Commitment: Part Time
Number in Sample: 56

Compensation

	25%	Average	Median	75%
Base Salary	$32,000	$69,122	$60,000	$86,000
Percentage Change from 1987		+46.7%	+50%	
Bonus/Incentives	3,000	8,011	6,000	12,000
Total Compensation	37,000	73,146	60,000	97,000
Fringe Benefits (perceived value)	8,750	20,366	20,000	25,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	17%	**Country Club Membership** (full or partial)	0%
Credit Card (for entertainment)	7%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	80%
Written Contract	57%	**Defined Parachute**	14%
Contract Term	1 Years	**Parachute Term**	5 Months

Respondent Profile

Average Age	47 Years	**Hours In Management** (per week)	20 Hours
Sex (Male)	96%	**Years In Current Position**	3 Years
Board Certification (ABMS Clinical Boards)	98%	**Management Degree** (have or working on)	23.2%

Organization Type: Managed Care
Physician Executive: All Respondents
Time Commitment: Part Time
Number in Sample: 56

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	85	2	2	
Quality Assurance (QA/UR/RM)	85	1	1	2
Credentials (Medical Staff)	60			3
Supervise Physicians (Physician Executives or Physicians)	64	2	3	
Strategic Planning (Budget/Programs/Equipment)	62	3	2	
Education (CME/Community/Graduate)	41			
External Relations (Professional/Community)	62			
Recruitment	51			
Compliance (With Licensing & Regulatory Agencies)	41			1

Senior Medical Managers in Managed Care

REGIONAL COMPARISONS

	ANNUAL SALARY				TOTAL COMPENSATION			
REGION	25%	$\overline{X}$	50%	75%	25%	$\overline{X}$	50%	75%
Pacific	115,000	131,333	125,000	150,000	132,000	163,068	142,800	180,000
Southwest	105,000	116,789	125,000	125,000	125,000	130,132	135,000	144,000
Northwest	93,000	108,353	111,000	127,000	105,000	122,281	125,000	142,000
Midwest	110,000	117,907	120,000	132,000	110,000	128,844	132,000	150,000
Northeast	118,000	129,009	125,000	140,000	120,500	143,986	133,500	160,000
Southeast	120,000	138,333	130,000	170,000	135,000	156,111	154,000	200,000

All Respondents In Managed Care

REGIONAL COMPARISONS

	ANNUAL SALARY				TOTAL COMPENSATION			
REGION	25%	$\overline{X}$	50%	75%	25%	$\overline{X}$	50%	75%
Pacific	110,000	127,821	123,000	144,000	129,570	157,515,	137,000	180,000
Southwest	105,000	115,176	120,000	125,000	120,000	131,491	135,000	145,000
Northwest	96,000	108,016	111,000	117,000	117,000	123,957	125,000	142,000
Midwest	100,000	117,492	120,000	137,000	109,200	128,275	132,000	154,000
Northeast	118,000	132,038	125,000	140,000	120,500	148,169	144,900	160,000
Southeast	125,000	136,364	130,000	134,000	135,000	153,545	150,000	170,000

Senior Medical Managers
In
Managed Care

Size Comparisons

	ANNUAL SALARY				TOTAL COMPENSATION			
ENROLLEES	25%	$\overline{X}$	50%	75%	25%	$\overline{X}$	50%	75%
< 25,000	107,000	120,945	120,000	127,000	120,000	131,669	130,000	145,000
25,000 to 49,999	110,000	120,519	118,465	130,000	118,465	144,594	130,000	154,000
50,000 to 100,000	120,000	126,882	128,000	135,000	133,000	140,610	142,000	149,000
> 100,000	115,000	133,804	130,000	150,000	135,000	160,133	160,000	180,000

Senior Medical Managers In Managed Care

AGE	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
Under 40 years	36	2	11%	5	50%	11%	120,472	134,461
40 to 65 years	52	3	22%	16	20%	4%	125,412	143,319
Over 65 years	NOT SUFFICIENT DATA							

Other Managers In Managed Care

AGE	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
Under 40 years	36	2	14%	4	29%	14%	101,714	117,314
40 to 65 years	51	2	23%	17	39%	8%	108,492	122,522
Over 65 years	NOT SUFFICIENT DATA							

Senior Medical Managers In Managed Care

CONTRACT	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
Written Contract	50	3	26%	15	25%	2%	122,397	140,015
No Written Contract	50	3	15%	14	23%	6%	127,438	140,821

Other Managers In Managed Care

FIRST POSITION	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
First Mgt. Position	50	3	100%	18	26%	4%	111,633	122,220
Not First Mgt. Position	49	3	0%	13	26%	6%	126,296	145,396

All Respondents
In
Managed Care

DEGREE	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
With Management Degree	45	3	17%	11	100%	3%	125,421	150,335
Without Management Degree	51	3	20%	16	0%	7%	122,772	138,164

Chapter V

Physicians Managers in Industry

For the first year, we have included a separate section on the respondents who are specifically working in private industry. While there was not an extremely large number of responses, there is sufficient information to begin to look more closely at this segment of the profession. Indeed, the duties of the senior medical managers and other manager categories are close enough to suggest a fair comparison can be made using the all respondents figures. It appears that the greatest number of physicians represented in this group are employed by insurance companies.

Reports Included in this Chapter

1. Full Time Managers: Physician executives who reported a 75% or more time commitment to management duties are included. Reports are provided for senior medical managers, other managers and in summary in the all respondents report. Top managers were not sufficiently represented to report separately. Also, it should be noted that lack of data prevented a report on part-time physician executives in industry.

2. Comparisons: Reports were prepared to consider the impact of various factors in the compensation received by these managers. These included those with a management degree and in different age groups. All data are reported in summary for these two comparisons. Regional reports are not included, again due to size limitations.

Comments and Observations About the Data in this Chapter

1. Physician executives in industry are younger on average than their counterparts in other organizations, work comparable hours, have similar clinical experience and have comparable compensation. Also, more physician executives are women in these organizations.

2. Executive benefits for this group tend to be more often offered than in other organization types, but still are not available to over 50% of the respondents.

3. Clinically:
   A. Senior medical managers have an average of 12 years of clinical practice experience, 12% currently have clinical duties, and 3% have academic duties.
   B. Other managers have an average of 11 years of clinical practice experience, 11% currently have clinical duties and 11% have academic duties.

4. Managerially, 48% of all full-time respondents have or are working on a management degree. Of those who currently hold a degree (29%), total compensation is about 13% lower.

1990 Physician Executive Compensation Survey

Organization Type: Industry
Physician Executive: Senior Medical Managers
Time Commitment: Full Time
Number in Sample: 63

Compensation

	25%	Average	Median	75%
Base Salary	$100,000	$122,313	$117,000	$140,000
Percentage Change from 1987		n/a	n/a	
Bonus/Incentives	10,000	39,532	20,000	30,000
Total Compensation	110,000	153,687	130,000	161,700
Fringe Benefits (perceived value)	15,000	25,525	25,000	35,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	23%	**Country Club Membership** (full or partial)	11%
Credit Card (for entertainment)	31%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	53%
Written Contract	20%	**Defined Parachute**	7%
Contract Term	1 Years	**Parachute Term**	5 Months

Respondent Profile

Average Age	50 Years	**Hours In Management** (per week)	46 Hours
Sex (Male)	93%	**Years In Current Position**	4 Years
Board Certification (ABMS Clinical Boards)	98%	**Management Degree** (have or working on)	51%

Organization Type: Industry
Physician Executive: Senior Medical Managers
Time Commitment: Full Time
Number in Sample: 63

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	68	5	4	
Quality Assurance (QA/UR/RM)	66	2	3	
Credentials (Medical Staff)	36			
Supervise Physicians (Physician Executives or Physicians)	60	3	5	3
Strategic Planning (Budget/Programs/Equipment)	82	1	1	2
Education (CME/Community/Graduate)	42			
External Relations (Professional/Community)	90	4	2	
Recruitment	47			3
Compliance (With Licensing & Regulatory Agencies)	53			1

Organization Type: Industry
Physician Executive: Other Managers
Time Commitment: Full Time
Number in Sample: 18

Compensation

	25%	Average	Median	75%
Base Salary	$90,000	$97,789	$92,000	$110,000
Percentage Change from 1987		n/a	n/a	
Bonus/Incentives	10,000	14,364	15,000	15,000
Total Compensation	95,000	106,567	104,000	117,000
Fringe Benefits (perceived value)	10,638	20,480	20,000	29,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	22%	**Country Club Membership** (full or partial)	5%
Credit Card (for entertainment)	33%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	55%
Written Contract	33%	**Defined Parachute**	11%
Contract Term	3 Years	**Parachute Term**	3 Months

Respondent Profile

Average Age	45 Years	**Hours In Management** (per week)	44 Hours
Sex (Male)	77%	**Years In Current Position**	3 Years
Board Certification (ABMS Clinical Boards)	100%	**Management Degree** (have or working on)	39%

Organization Type: Industry
Physician Executive: Other Managers
Time Commitment: Full Time
Number in Sample: 18

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	50			
Quality Assurance (QA/UR/RM)	44			3
Credentials (Medical Staff)	22			
Supervise Physicians (Physician Executives or Physicians)	38			
Strategic Planning (Budget/Programs/Equipment)	72		2	2
Education (CME/Community/Graduate)	22			
External Relations (Professional/Community)	66	1	1	
Recruitment	50			
Compliance (With Licensing & Regulatory Agencies)	55			

Organization Type: Industry
Physician Executive: All Respondents
Time Commitment: Full Time
Number in Sample: 83

Compensation

	25%	Average	Median	75%
Base Salary	$100,000	$117,963	$113,000	$133,000
Percentage Change from 1987		n/a	n/a	
Bonus/Incentives	10,000	36,216	20,000	30,000
Total Compensation	107,000	145,452	125,000	157,200
Fringe Benefits (perceived value)	15,000	24,179	25,000	30,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	24%	**Country Club Membership** (full or partial)	11%
Credit Card (for entertainment)	32%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	54%
Written Contract	22%	**Defined Parachute**	8%
Contract Term	2 Years	**Parachute Term**	5 Months

Respondent Profile

Average Age	49 Years	**Hours In Management** (per week)	46 Hours
Sex (Male)	90%	**Years In Current Position**	4 Years
Board Certification (ABMS Clinical Boards)	98%	**Management Degree** (have or working on)	48%

Organization Type: Industry
Physician Executive: All Respondents
Time Commitment: Full Time
Number in Sample: 83

Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	63	5	3	
Quality Assurance (QA/UR/RM)	61	2	2	3
Credentials (Medical Staff)	33			
Supervise Physicians (Physician Executives or Physicians)	55	4		4
Strategic Planning (Budget/Programs/Equipment)	80	1	1	2
Education (CME/Community/Graduate)	38			
External Relations (Professional/Community)	85	3	1	
Recruitment	48			4
Compliance (With Licensing & Regulatory Agencies)	54			1

All Respondents In Industry

AGE	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
Under 40 years	36	2	46%	4	27%	33%	107,961	126,961
40 to 65 years	51	4	26%	13	36%	9%	120,470	150,270
Over 65 years	NOT SUFFICIENT DATA							

All Respondents In Industry

DEGREE	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
With Management Degree	48	5	16%	8	100%	8%	116,534	132,166
Without Management Degree	49	4	35%	13	0%	15%	118,544	150,856

Chapter VI

Physician Managers in Academics

Those physician executive respondents who are currently engaged in academic medicine in medical schools or affiliated academic medical centers are included in this chapter. While the sample size is fairly small, the data have been included and limited analyses conducted to provide at least some information about this segment of the profession. This is the first year such data have been available, so comparisons with previous years cannot be accomplished.

Reports Included in this Chapter

1. Full time managers: Respondents who commit 75% or more time to management duties in academic positions are included. The only category included is the data for all respondent, or summary, reports. Individual manager information is not provided but is summarized in the all respondent report. Part time manager information is also not reported.

2. Comparisons: Data reports to further break down the survey information were conducted and are included only for a management degree versus no management degree comparison. As a matter of interest, no academic physicians over 65 years of age responded and, indeed, 85% are in the 40 to 65 years of age category.

Comments and Observations About the Data in this Chapter

1. Clinically, these physician managers have an average of 12 years of clinical practice, 52% currently have clinical duties and 45% have academic duties.

2. Managerially, 27.5% of all full time respondents have or are working on a management degree. Of those who do have a degree, compensation is slightly lower than those who do not have a management degree.

3. The distribution of compensation, even with the small sample, is comparable with other physician executives. Levels of compensation are a bit lower, which may be the result of the environment and nature of academic institutions.

1990 Physician Executive Compensation Survey

Organization Type: Academics
Physician Executive: All Respondents
Time Commitment: Full Time
Number in Sample: 40

Compensation

	25%	Average	o Median	75%
Base Salary	$90,000	$121,170	$112,500	$150,000
Percentage Change from 1987		n/a	n/a	
Bonus/Incentives	12,000	22,083	20,000	25,000
Total Compensation	100,000	127,795	120,000	151,277
Fringe Benefits (perceived value)	15,000	22,224	20,000	25,000

Executive Benefits & Contracts

Automobile (or allowance for automobile)	25%	**Country Club Membership** (full or partial)	12.5%
Credit Card (for entertainment)	15%	**No Executive Benefits Reported** (Auto/Credit Card/Country Club)	67%
Written Contract	50%	**Defined Parachute**	7%
Contract Term	1 Years	**Parachute Term**	8 Months

Respondent Profile

Average Age	51 Years	**Hours In Management** (per week)	42 Hours
Sex (Male)	97%	**Years In Current Position**	5 Years
Board Certification (ABMS Clinical Boards)	97%	**Management Degree** (have or working on)	27.5%

Organization Type: Academics
Physician Executive: All Respondents
Time Commitment: Full Time
Number in Sample: 40

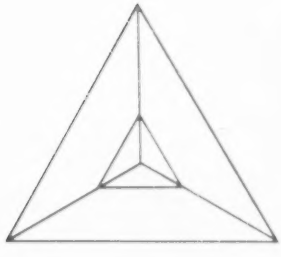
Management Responsibilities

The survey inquired about duties of physician executives in their current positions. Also, it asked them to rank what they felt was their greatest value to their organization (1 = greatest, 2 = second, etc.); which of their duties they liked best (1 = liked best, etc.); and, which they liked least (1 = liked least, etc.).

RESPONSIBILITIES	PERCENT WITH THIS DUTY	PERCEIVED GREATEST VALUE	ENJOYED MOST	ENJOYED LEAST
Liaison (Medical Staff & Administration)	80	4	2	
Quality Assurance (QA/UR/RM)	65			3
Credentials (Medical Staff)	40			
Supervise Physicians (Physician Executives or Physicians)	77	2		
Strategic Planning (Budget/Programs/Equipment)	90	1	1	
Education (CME/Community/Graduate)	80	4	2	
External Relations (Professional/Community)	77	3	2	
Recruitment	67			2
Compliance (With Licensing & Regulatory Agencies)	72			1

All Respondents in Academics

DEGREE	AVERAGE AGE	AVERAGE YEARS IN POSITION	PERCENT IN FIRST MANAGEMENT POSITION	AVERAGE YEARS OF CLINICAL PRACTICE	PERCENT WITH MANAGEMENT DEGREE	PERCENT WORKING ON A MANAGEMENT DEGREE	ANNUAL SALARY	TOTAL COMPENSATION
With Management Degree	50	8	0%	10	100%	0%	124,130	125,796
Without Management Degree	51	5	17%	13	0%	6%	120,648	128,148



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